

DATE IN <u>12/14/00</u>	SUSPENSE <u>1/3/01</u>	ENGINEER <u>M.S</u>	LOGGED <u>KV</u>	TYPE <u>NSL</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS-Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

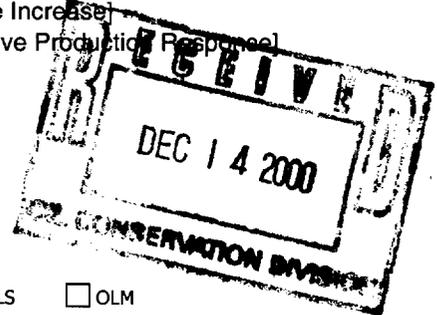
[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR



[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply**

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application if One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding**

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Dennis Bickford
Print or Type Name

Dennis Bickford
Signature

Drilling Superintendent
Title

12/13/00
Date

December 13, 2000

State of New Mexico
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

**Re: Application for a Non-Standard Location
State Sec 9 No. 2
Lovington; Penn, Northeast Pool (40760)
Section 9, T-16S, R-37E
Lea County, New Mexico**

Apache Corporation would like to request administrative approval of a Non-Standard Location for the referenced well in the Lovington; Penn, Northeast Pool.

To support this request we submit the following information:

- 1) Apache Corporation is seeking a permit to drill and complete the referenced oil well on our recently acquired State Sec 9 lease which consists of the N $\frac{1}{2}$ of Section 9. The 80-acre proration unit consists of the E $\frac{1}{2}$ of the NW $\frac{1}{4}$ of Section 9. The desired location is in an established fairway of prolific Strawn algal mound features as indicated by 3D seismic. (See attached Seismic Plat). Surface obstructions also prevent staking of this well at a standard location
- 2) The State Sec 9 No. 2, as staked, would be located 1030' FSL & 1517' FWL of the State Sec 9 nearest lease boundaries and 1610' FNL & 1517' FWL of Section 9, Township 16-S, Range 37-E. This location is unorthodox because Rule 104.C.(1) of the General Rules of the Oil Conservation Division provide for wells on 80-acre spacing and proration units to be located within 150 feet of the center of either quarter-quarter section or lot. The proposed location is approximately 475' outside this range in Unit F (see attached plat)

- 3) Apache Corporation's entire State Sec 9 lease consists of 320-acres
- 4) NM-OCD Form C-102 for the State Sec 9 No. 2
- 5) Plat of Section 9 with the State Sec 9 lease outlined and footages noted
- 6) No Offset Operator is affected by this request, encroachment is limited to additional acreage in the State Sec 9 lease which is owned by Apache

If you have any questions or require additional information regarding this application, please contact me at 713-296-6338. Thank you.

Sincerely,

APACHE CORPORATION



Debra J. Anderson
Sr. Engineering Technician

Attachments

cc: New Mexico Oil Conservation Division
District I
1625 N. French Drive
Hobbs, New Mexico 88240

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
		40760	Lovington; Penn, Northeast
Property Code	Property Name		Well Number
26496	STATE Sec 9		2
OGRID No.	Operator Name		Elevation
000873	APACHE CORPORATION		3816

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	9	16 S	37 E		1610	NORTH	1517	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Debra J. Anderson</i> Signature</p> <p>Debra J. Anderson Printed Name</p> <p>Sr. Engineering Technician Title</p> <p>12/13/00 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>OCTOBER 16, 2000 Date Surveyed</p> <p><i>Ronald J. Eidson</i> Signature & Seal of Professional Surveyor</p> <p>W.O. Num. 00-114306</p> <p>Certificate No. RONALD J. EIDSON, 3239 GARY G. EIDSON, 12841</p>

DISTRICT I
P.O. Box 1980, Hobbs, NM 88341-1980

DISTRICT II
P.O. Drawer 80, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
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State Lease - 4 Copies
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OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 40760	Pool Name Lovington; Penn, Northeast
Property Code 26496	Property Name STATE Sec 9	Well Number 2
OGRID No. 000873	Operator Name APACHE CORPORATION	Elevation 3816

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	9	16 S	37 E		1610	NORTH	1517	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 80	Joint or Infill	Consolidation Code	Order No.
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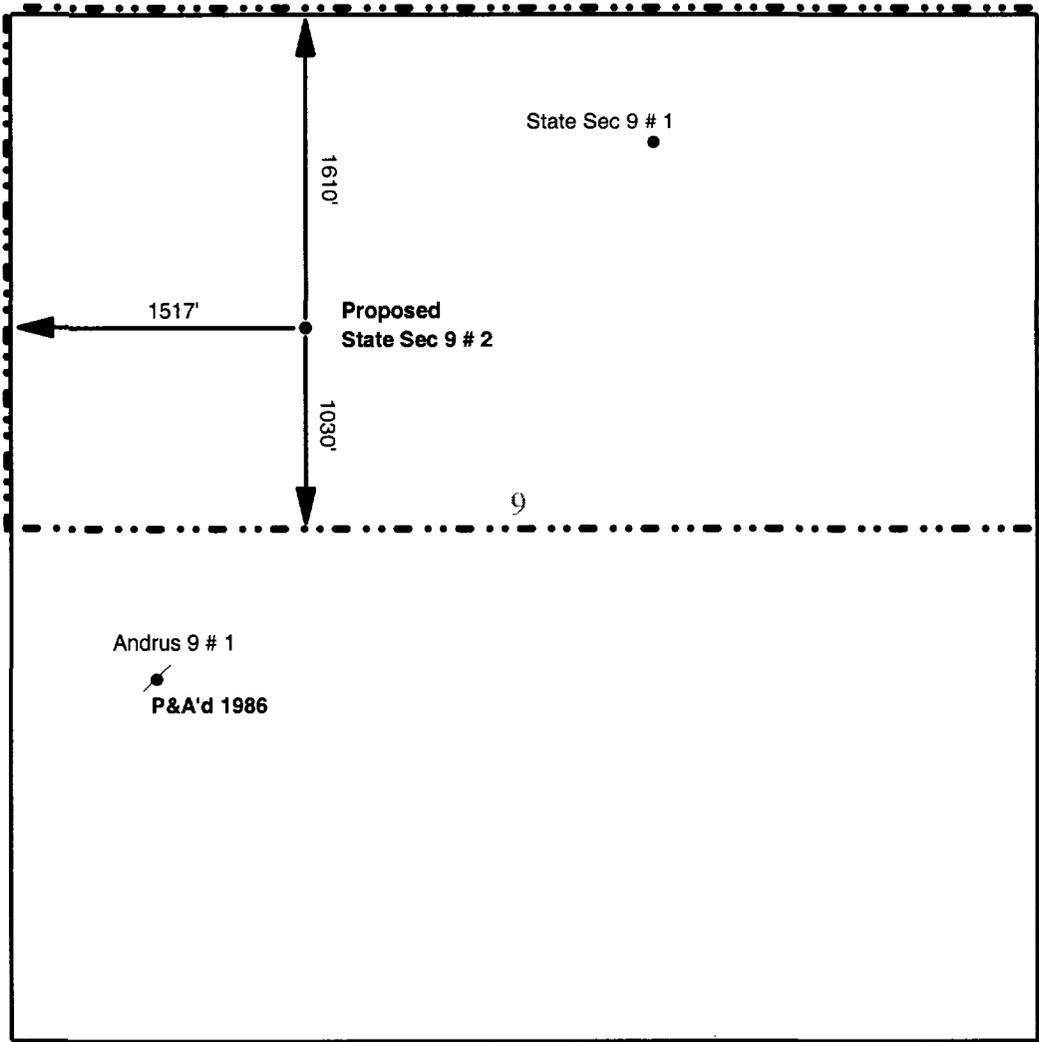
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<p>W.O. Num. 00-11-1306</p>	
<p>Certificate No. RONALD J. EIDSON, 3239 GARY G. EIDSON, 12841</p>	

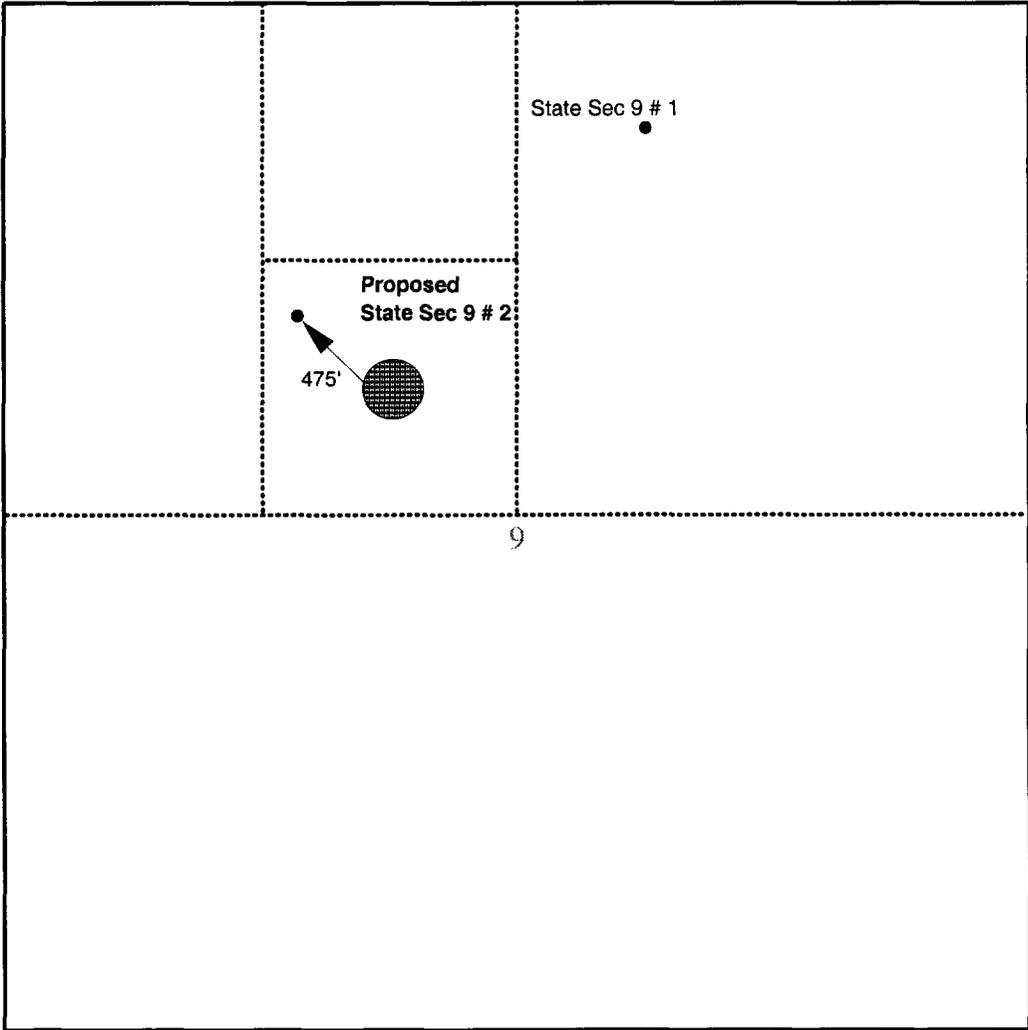
NAD 27 NME
Y=707115 N
X=829844 E

LAT./LONG.
32°56'21.5"N
103°15'29.6"W

YATES PETROLEUM CORP.
HUMMING BIRD ADM STATE #1
S76°38'W 2120.8 FEET

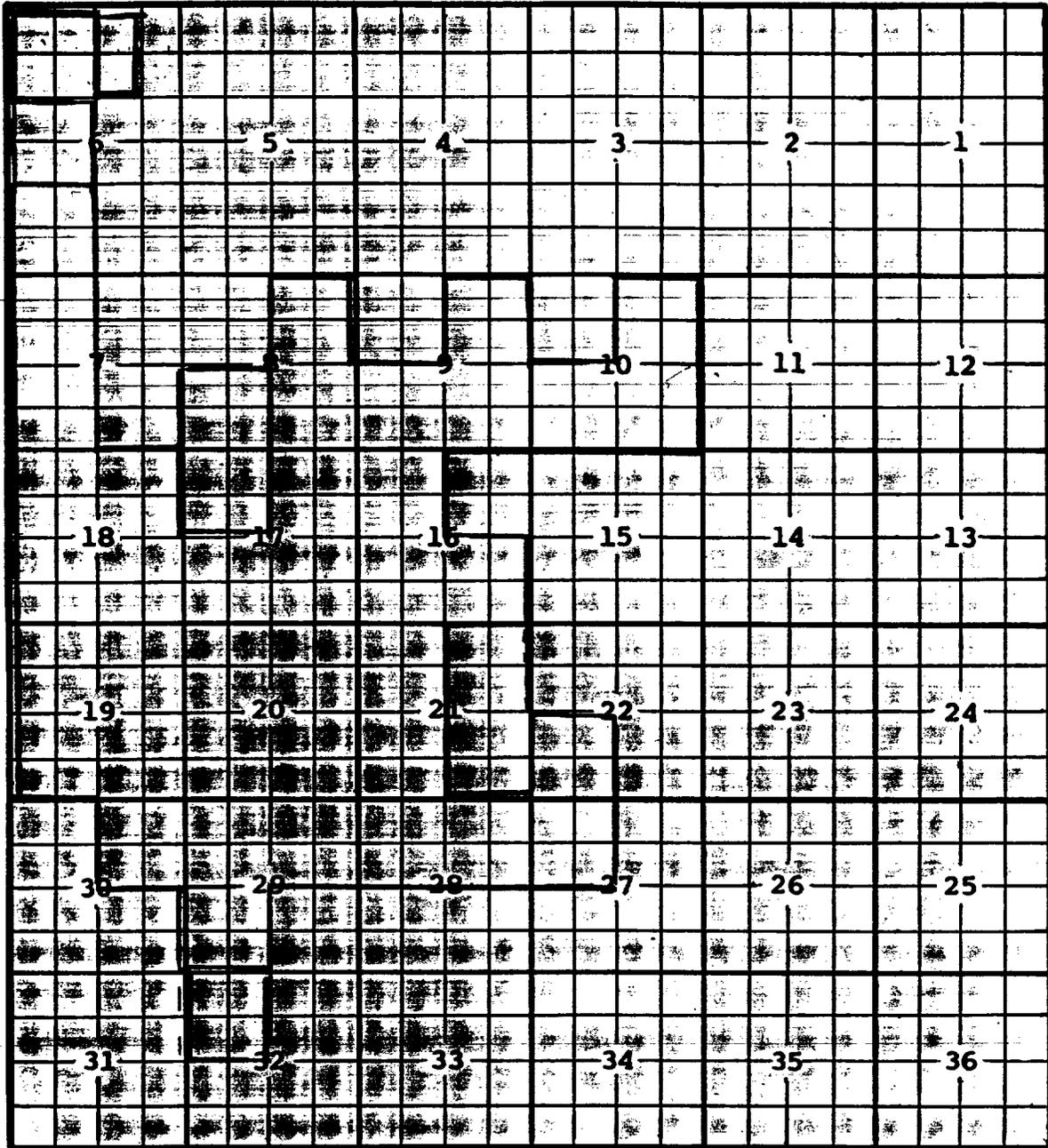



STATE SEC 9 LEASE SECTION 9 T16S - R37E LEA COUNTY, NEW MEXICO SCALE: 1" = 1000'




STATE SEC 9 LEASE SECTION 9 T16S - R37E LEA COUNTY, NEW MEXICO SCALE: 1" = 1000'

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE



ILLEGIBLE

NE 1/4 SEC 10, SW 1/4 SEC 16, SE 1/4 SEC 17, SE 1/4 SEC 18, ALL SEC 19, NE 1/2 SEC 20,
 NW 1/4 SEC 27 (R-3816, 1/10/69, EFFEC: 9/1/69) EXT: NE 1/4 SEC 18 (R-6328, 5/1/80)
 EXT: NW 1/4 SEC 29 (R-6536, 12/1/80) EXT: W 1/2 SEC 18 (R-6724, 7/1/81)
 EXT: SW 1/4 SEC 7 (R-6923, 3/9/82) EXT: NW 1/4 SEC 20 (R-7076, 9/27/82)
 EXT: SE 1/4 SEC 8, NE 1/4 SEC 17 (R-7322, 8/1/83) EXT: NE 1/4 SEC 30 (R-7351, 9/19/83)
 EXT: SW 1/4 SEC 21 (R-7607, 1/27/84) EXT: NW 1/4 SEC 28 (R-7800, 1/31/85)
 EXT: S 1/2, NE 1/4 SEC 9 (R-7858, 3/28/88) EXT: NE 1/4 SEC 29 (R-7959, 6/12/85)
 EXT: NE 1/4 SEC 9, S 1/2 SEC 10 (R-8195, 3/21/86) EXT: SW 1/4 SEC 17, NE 1/4 SEC 29 (R-8214, 5/1/86)
 EXT: SW 1/4 SEC 6, NW 1/4 SEC 7 (R-8388, 1/14/87) EXT: SE 1/4 SEC 16 (R-8409, 3/7/87)
 EXT: NW 1/4 SEC 16, SW 1/4 SEC 29 (R-8584, 1/11/88) EXT: NE 1/4 SEC 10 (R-8605, 2/19/88)
 EXT: SW 1/4 SEC 8, NW 1/4 SEC 17, NW 1/4 SEC 32 (R-8826, 12-22-88) EXT: E 1/2 SEC
 (R-8947, 7-1-88) EXT: Lots 11, 12, 13, & 14 SEC 6 (R-8772, 11-1-88) EXT: Lots 3, 4, 5, 6 SEC 6
 EXT: Lots 1, 2, 3, 4 SEC 6 (R-1111, 1-1-88)

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/18/00 09:23:09
OGOMES -TQDC
PAGE NO: 1

Sec : 09 Twp : 16S Rng : 37E Section Type : NORMAL

D 40.00 MH V00339 0002 APACHE CORPORATIO 06/01/86	C 40.00 MH V00339 0002 APACHE CORPORATIO 06/01/86	B 40.00 MH V00339 0002 APACHE CORPORATIO 06/01/86 A	A 40.00 MH V00339 0002 APACHE CORPORATIC 06/01/86
E 40.00 MH V00339 0002 APACHE CORPORATIO 06/01/86	F 40.00 MH V00339 0002 APACHE CORPORATIO 06/01/86	G 40.00 MH V00339 0002 APACHE CORPORATIO 06/01/86	H 40.00 MH V00339 0002 APACHE CORPORATIC 06/01/86

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/18/00 09:23:13
OGOMES -TQDC
PAGE NO: 2

Sec : 09 Twp : 16S Rng : 37E Section Type : NORMAL

<p>L 40.00 Fee owned A</p>	<p>K 40.00 Fee owned</p>	<p>J 40.00 MH B02277 0002 DAVID H. ARRINGTO 12/22/38</p>	<p>I 40.00 MH B02277 0002 DAVID H. ARRINGTC 12/22/38</p>
<p>M 40.00 Fee owned</p>	<p>N 40.00 Fee owned</p>	<p>O 40.00 MH B02277 0002 DAVID H. ARRINGTO 12/22/38</p>	<p>P 40.00 MH B02277 0002 DAVID H. ARRINGTC 12/22/38</p>

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD : ONGARD 12/18/00 09:23:26
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TQDC

API Well No : 30 25 29016 Eff Date : 07-01-2000 WC Status : A
Pool Idn : 40760 LOVINGTON;UPPER PENN, NORTHEAST
OGRID Idn : 873 APACHE CORP
Prop Idn : 26496 STATE SEC 9

Well No : 001
GL Elevation: 3824

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
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B.H. Locn	: B	9	16S	37E	FTG 660 F N	FTG 1980 F E	A

Lot Identifier:

Dedicated Acre: 80.00

Lease Type : S

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 12/18/00 09:23:32
OG6ACRE C102-DEDICATE ACREAGE OGOMES -TQDC
Page No : 1

API Well No : 30 25 29016 Eff Date : 04-30-1991
Pool Idn : 40760 LOVINGTON;UPPER PENN, NORTHEAST
Prop Idn : 26496 STATE SEC 9 Well No : 001
Spacing Unit : 13983 OCD Order : Simultaneous Dedication:
Sect/Twp/Rng : Acreage : 80.00 Revised C102? (Y/N) :
Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
	A		9	16S	37E	40.00	N	ST		
	B		9	16S	37E	40.00	N	ST		

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF